

LMI ADVISORY GROUP MEETING
Thursday, October 25, 2007
Meeting Minutes

Advisory Group Attendees:

Alissa	AndersonGarcia	California Budget Project
Nelson	Anthoine	NHA Consulting, Chico, CA
Dan	Blake	California State University, Northridge
Nancy	Carlton	California State University, Sacramento
Peter	Cooper	California Labor Federation
Patricia	De Cos	California Research Bureau
Gus	Cubillo	California Postsecondary Education Commission
Richard	Della Valle	California Community Colleges, Economic and Workforce Development (EWD)
Socorro	Garcia	Workforce Services Branch
Laura	Harris	California Employer Advisory Committee (EAC), Riverside County Workforce Development Board
Mark	Irish	California Postsecondary Education Commission
Neil	Kelly	Department of Education, Adult Education
Theresa	Milan	Los Rios CCD –Center for Excellence Program
Nicolina	Mulcahy	California Research Bureau
Michael	Tavares	Counselor, California Community Colleges
Joanne	Wenzel	Department of Consumer Affairs
Stacy	Wilson	California Postsecondary Education Commission
Chuck	Wiseley	California Community College Chancellor's Office
Ralph	Zackheim	U.S. Department of Labor, San Francisco

LMID Staff:

Charles Daniel	Steve Saxton
Vivian Gerlach	Mark Shelton
Bonnie Graybill	Murice Shelton
Marla Harper	Scott Slotterbeck
Jeff Hoort	Fran Styron
Sajid Hussain	Mindy Takechi
John Milat	Paul Wessen
Jeneace O'Brien	Sharon Williams
Janet Peters	Spencer Wong

Recorders:
Alice Cedillo
Margo Gonzales

Facilitator:
Bonnie Graybill

Bonnie Graybill – Housekeeping

Bonnie Graybill welcomed the group and asked attendees to introduce themselves.

Review of July 26, 2007 LMI Advisory Meeting Minutes.

Bonnie asked for comments or edits. None were offered. The minutes were accepted as final.

Steve Saxton - Welcome

Steve welcomed the group and encouraged everyone to share thoughts and ideas regarding LMI products. He noted that this week the San Diego fires have affected 60,000 workers and the Workforce Service Branch is working to identify the region's needs and organize humanitarian aide.

Budget Update

Steve provided a power point presentation on the LMID Budget. The 2007-2008 Budget is funded by:

- Bureau of Labor Statistics (BLS) – funds 43% of budget for statistical programs and data collection. Includes LAUS, OES, CES, QCEW and Mass Layoff Statistics (MLS).
- Workforce Information Grant (WIG) – Employment Training Administration (ETA).
- Workforce Investment Act (WIA) – Employment Training Administration--State allocates budget to the workforce areas.
- Labor Certification – Employment Training Administration.
- Other smaller fund sources.

What is happening to the budget?

- The budget has been shrinking over the past five years.
- Costs are increasing.
- It is more difficult to produce the same products.

The biggest decrease in budget is from BLS. LMID is taking away from other funds to subsidize BLS products. In addition, the governor has taken funding from EDD activities to support the fight against gangs.

Questions and Comments:

Laura Harris commented that LMID continues to do a wonderful job despite budget challenges.

Stacy Wilson: What about industry and occupational projections? Which programs are funded by BLS?

Steve Saxton: BLS funds the following programs:

- Current Employment Statistics (CES) Program – monthly industry data.
- Local Area Unemployment Statistics (LAUS).
- Quarterly Census Employment and Wages (QCEW) – quarterly information from employers.
- Occupational Employment Statistics (OES).

We combine CES and OES data to develop projections.

Bonnie Graybill: We take BLS fundamental data and build on it. WIA and WIG fund the development of projections.

Steve Saxton: More than half of the budget is used to collect data. The remaining funds are used to produce products and maintain the Web site. It is difficult to produce the same product with less funding. What is the best approach to continue to produce a useful product with less money?

- Fewer areas?
- Greater aggregation?
- Less detail?

Stacy Wilson: What about supply/demand?

Steve Saxton: Projections is an intersection of supply and demand. It is the historical number of people available for employment and the future demand of employers. Will there be a supply? We do not have a good handle on supply. How many people are moving into California? How many people are graduating from college?

Neil Kelly: What is causing the greatest shortfall?

Steve Saxton: It is across the board. Only the foreign labor certifications funding has been stable. BLS has a list of deliverables. Each year, LMID negotiates agreements for these deliverables with BLS. This year we wrote a letter to the commissioner regarding the budget issues. The states' share of BLS funding has continually decreased while the BLS share of the budget has increased 27 percent. The governor has joined with other states to write a letter to Congress about the federal funding of workforce programs.

Chuck Wiseley: What about Workforce Investment Act funding – is it discretionary?

Steve Saxton: We are looking for additional funding. If you know of any grants, please let us know.

Chuck Wiseley: We have seen the results. There are no longer hard copy reports available.

Bonnie Graybill: We appreciate your support and will continue to ask for your input.

Training Crosswalks to LMI

Bonnie indicated that the California Community Colleges Chancellor's Office (CCCCO) and LMID recently released a web based application that documents the job outlook for community college students. The California Post Secondary Education Commission (CPEC) also developed a web based application that provides related information.

In order to show the value of each application, the CCCCCO and CPEC are going to demonstrate their applications today. Bonnie indicated that she recently pointed staff at the Department of Corrections and Rehabilitation to both of these applications. The agency's goal is to rehabilitate prisoners and train for jobs before they are released from prison.

Bonnie introduced Chuck Wiseley from the CCCCCO for the first presentation.

Chuck Wiseley: Job Outlook for California Community College Occupational Education Programs at www.labormarketinfo.edd.ca.gov/CommColleges

Chuck stated that the application was built to address the challenges the California Community College system faces when they want to consider a new program. Before they can start a new program, they have to:

- Justify that there is sufficient labor demand for the program, and
- Make sure the new program will not duplicate or directly compete with an existing program.

In the application, data is in an existing occupational area. The application uses a crosswalk from the Taxonomy of Programs (TOP) or the Classification of Instructional Programs (CIP) to the Standard Occupational Classification (SOC) codes to access the California and local area occupational projections.

Chuck demonstrated the web based application. At the "Job Outlook for California Community College Occupational Education Programs" window:

1. Choose your geographical area
2. Choose to search by CIP or TOP
3. Select the program title (Chuck used Agriculture as an example)
4. Click on "Display Matching Occupations"

The next screen will display the occupations which match the program. The occupations are listed by SOC code and occupational title. Select the occupation that you want to review and click on "View Job Outlook." The next screen displays the 2004-2014 employment projections. The 2004 employment and annual job openings are displayed for each occupation selected. You can click on the occupation title to go to the "Occupation Profile" for more information.

Questions and Comments:

Neil Kelly: What is the threshold for sufficient labor market demand?

Chuck Wiseley: If there are 30 openings and there is no existing program in the area, the CCCCCO would allow the new program as long as it does not compete with or destroy another program.

Bonnie Graybill: We plan future improvements such as adding a “keyword search” to help customers who are not familiar with TOP codes. The areas are organized by TOP codes – instructors are familiar with TOP, but other possible customers may not have that knowledge base.

Dan Blake – If you highlight 2-3 TOP codes, does the application aggregate projections for multiple areas?

Chuck Wiseley: If you select 2 TOP codes, the application gives you occupations for both TOP codes and projections for a single area.

Steve Saxton: Can you use a “search” button at the TOP window?

Bonnie Graybill: For the demonstration at Corrections, we used CIP first.

Richard Della Valle: Can you search for areas smaller than counties, like college districts?

Bonnie Graybill: The data used for projections is at a higher aggregation. The key question is where is the labor market? It is not at the census tract level. The labor market is at a higher level.

Chuck Wiseley: The CCCCCO doesn't want to build a two year program on quarterly data.

Richard Della Valle: Students usually stay local and look at local business and industry needs.

Spencer Wong: The smaller the geographic area, the less detailed information is releasable due to confidentiality protections. There is a move towards a broader regional analysis, which allows us to provide more detail.

Chuck Wiseley: The CCCCCO is required to re-demonstrate demand every two years. The employment data is useful for the annual review.

Stacy Wilson – When a new education center starts, initially it has limited programs and then grows in time.

Gus Cubillo, California Post Secondary Education Commission (CPEC), presented the second web based application.

Gus Cubillo: School To Employment Pathways Systems (STEPS) at

<http://www.cpec.ca.gov/accountability/Steps.asp>

Gus stated that CPEC hired an economist to work with the commission's technical staff to develop a system to compare the number of degrees and match occupations to those degrees for Accountability Reports.

They started with CIP codes for Degree/Course of Study and SOC codes for occupations. Then they expanded the list for more detailed CIP and SOC codes. For example, there is more than one program/degree to match to Teachers. For Nurses, the program is more specific. You can search by the list provided or enter the degree or occupation name in the Quick Search box.

Example: Quick search for Civil Engineer.

- Type “Engineer” in the box, click on “Search.”
- The next screen shows a detailed list of engineer occupations.
- Click on Match To Degrees for Civil Engineers.

- The next screen shows the occupation, the projected annual openings, the degrees/courses of study, and the minimum degree level needed.
- Under the degree, you can click to see which colleges offer the degree; enrollment in the degree program; and number of degrees awarded.

Gus stated that this is a tool for consumers. The commission is interested in expanding it and receiving feedback.

Questions and Comments:

Chuck Wiseley: Is the number of degrees displayed on the tool at state level?

Answer: Yes.

Spencer Wong: Do you have degree data by campus?

Answer: Yes, we have campus breakouts. (We need to add 2006 data.)

Steve Saxton: Is it possible that the some of the degrees presented are duplicated?

Gus Cubillo: Some degrees do not have a direct match.

Sajid Hussain – There is a national web site to assist one to estimate national supply/demand. (Comment—the data on the site are somewhat outdated.)

Joanne Wenzel: Can one draw conclusions on enrollment and graduation? How can you find the enrollment and number of degrees awarded, for example the number of bachelor degrees in civil engineering?

Chuck / Stacy – You can find the information by program area. Schools publish information by year – number of freshman enrolled.

Gus Cubillo: It is better to contact the UC campus directly for published information—you will get more complete information.

Joanne Wenzel: From a consumer perspective, you have 60 civil engineering graduates in 2006 after starting with 300 enrollments. Can you draw any conclusions?

Gus Cubillo: No conclusions, people may change degrees and programs several times while they are in school.

Dan Blake: Most transfer students from community colleges have a high graduation rate.

Stacy Wilson: At UCLA, 30% are transfers from community colleges.

Gus Cubillo: Licensing agencies also publish numbers.

Steve Saxton: How many people with engineering degrees became engineers?
Steve suggested linking CCCCCO's site to CPEC Web site.

Chuck Wiseley: Students will be able to see which courses will transfer.

Gus Cubillo: One problem they had as they developed the application was that degrees exist but occupations related to the degree may no longer exist. Example: they removed "trappers" from the database.

Good news is that for the past month, the home page for STEPS was at the top of all CPEC web pages visited!

Stacy Wilson: Thanks to Gus for this presentation—for the information of the Advisory Group, Gus got married over the weekend! (and deferred his honeymoon to make this presentation!)

Congratulations Gus!

Break for Lunch

LEGISLATIVE UPDATE

Not available

ECONOMIC UPDATE

Presenter—Paul Wessen

Mr. Wessen stated that the economy is growing but at a sputter. The US outlook per UCLA is for slow growth through the fall of 2008 and a recovery thereafter. UCLA does not see a recession in the cards. There is a steeper slowdown in California; the state as a whole is more vulnerable than the nation as a whole to the housing crisis. The next year will be influenced by increasing unemployment, continuing problems in the housing sector, and investments declining. The housing industry (including the mortgage industry) will be a drag on the U.S. and California economies through much of 2008. Consumers are spending less, but exports are strong, which boosts the economy.

In the nation, unemployment has increased, but much less dramatically than in California. In part these are due to economic conditions, and in part, due to the statistical modeling process. We are seeing a lot of large month to month ups and downs. The Los Angeles County and balance of state employment data are derived from separate household surveys and model inputs, and the monthly data are pulling in different directions. Paul speculates that the increase in unemployment is likely overstated. California's slower growth than the nation's is coming from the housing industry. Within the last 6 months, there was a loss of 32,500 jobs.

Our data collection processes will not pick up the employment effects of the fires in Southern California. The losses are temporary, more of a delay in production. As the area recovers, we are likely to see a short term increase in jobs associated with the clean up and rebuilding of the fire damaged areas. There may be increased unemployment claims in the area since over 500,000 were evacuated in San Diego alone, but it is likely most of the evacuees would have returned to work by the time of the November survey (the week that includes the 12th).

The other issue affecting the California economy is related to housing. Year-over job losses in mortgage banking industries totaled 11,200 jobs in September, with losses concentrated in Orange County. The question is, to what extent has loss of housing jobs also affected other industries? The evidence is mixed. Employment is still growing, but the economy added 86,000 fewer jobs over the last year than at the same time last year.

The slowdowns are in manufacturing, construction, and retail trade (in part due to a less equity in homes). Professional and business services jobs have increased, but at half last year's pace. There is a slowdown in employment services, which provides temporary jobs. In contrast, government, and education and health services employment in California are booming.

A GENERATION OF WIDENING INEQUALITY

The State of Working California, 1979 to 2006

Trends Affecting Low- and Middle-Income Californians

Presenter: Alissa AndersonGarcia

During the past generation, California has added considerably more low-wage and high-wage jobs than jobs with earnings in the middle of the distribution. Weak gains at the middle of the earnings distribution reflect the decline of manufacturing. California has not replaced well-paying blue collar jobs with others at commensurate pay levels. Low-wage job growth has been concentrated in the service sector, including jobs in hotels, restaurants and retail trade. The gap between high-wage and low-wage workers has widened to a greater extent in California in recent decades than it has nationally. Two million of California's working families – 1 in 5 working families – have incomes below 200% of the Federal poverty level even though they have earnings from work.

To read this study, visit the California Budget Project's web site at www.cbp.org.

OCCUPATIONAL PRODUCT UPDATE

Bonnie Graybill – We have talked before about our plans to develop a new product, the *New California Occupational Guides, now with local information*. This new product will offer career information on-line, with a dynamic update feature. Unfortunately, we lost our programmer to a job outside of state service, but are continuing to develop the product, albeit behind our initial schedule. We hope to demonstrate the product at the next meeting.

HOT JOBS IN CALIFORNIA

Presenters: **Janet Peters and Scott Slotterbeck**

LMID staff developed materials to support EDD's 2007 Labor Day Campaign. The materials included presentation of ten "hot jobs" in each of 12 media markets throughout California. The twelve media markets are: North Coast, Redding, Chico, Sacramento, Bay Area, Fresno, Bakersfield, Central Coast, South Coast, Los Angeles, Inland Empire, San Diego.

Identifying Hot Jobs:

Occupations were selected that reflect:

- The greatest growth, highest demand, and best wages
- Grouped by region with approximately 10 occupations in each region
- Balanced to reflect diversity in training level, occupational cluster, etc.

Staff developed a "press release" for each area. Each packet offered

- 10 occupations
- Average annual openings
- Median annual wage
- Examples of skill and related task for each occupation
- Niche jobs

Workforce Skills

- Listed and defined common skills for top occupations
- Cited Conference Board survey and need for applied skills

Niche Jobs

- Added emerging occupations to the list, to gain media attention
- Identified several occupations in each region and in California

Results

- Press releases used in print, television, and radio for virtually all areas

Available at: www.labormarketinfo.edd.ca.gov , see the Career Center portal page

For more information, feel free to contact:

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-Janet Peters, 916-262-2368
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-Scott Slotterbeck, 916-262-2366
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Wrap-Up/Closing Comments/Agenda Planning:

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Good meeting as usual	No Legislative Update
Great member presentations	
Parking	
Excellent handouts	
Good facilitation	
Hospitality	
Loretta's coordination	
Great meeting	

Next Meeting: January 17, 2008

Agenda Items:

- Demonstrate the new on-line career product – Janet Peters & Staff
- Updates on the Local Employment and Household Dynamics (LEHD) Census Bureau tool, with updated data – Spencer Wong & Staff
- Center for Excellence Overview – by Theresa Milan from Los Rios Community College District
- LMID Website Redesign—customer expectations and usage - Nancy Gemignani
- LMID Labor Market Consultant services - Joel Hessing & Staff